DEPARTMENT OF THE AIR FORCE

PRESENTATION TO THE COMMITTEE ON ARMED SERVICES SUBCOMMITTEE ON PERSONNEL UNITED STATES SENATE

SUBJECT: AIR FORCE RESERVE PROGRAMS

STATEMENT OF: LIEUTENANT GENERAL JAMES E. SHERRARD III CHIEF OF AIR FORCE RESERVE

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NOT FOR PUBLICATION UNTIL RELEASED BY THE ARMED SERVICES COMMITTEE SUBCOMMITTEE ON PERSONNEL UNITED STATES SENATE Mr. Chairman, Senator Hutchinson, and distinguished members of the Subcommittee, I appreciate the opportunity to appear before you today. Thank you for your continuing support, which has helped your Air Force Reserve address vital recruiting, retention, modernization, and infrastructure needs. Your passage of last year's pay and quality of life initiatives were especially important as your actions sent an unmistakable message to our citizen airmen that their efforts are truly appreciated.

I am pleased to tell you that the Air Force Reserve continues to be a force of choice for the Air Force and the warfighting Commanders in Chiefs (CINCs), whenever an immediate and effective response is required to meet the challenges of today's world.

The Air Force has enjoyed over 30 years of unparalleled Total Force integration success. Today, Air Force Reserve Command (AFRC) members are performing in almost every mission area within our Air Force including the war on terrorism, and we plan to seek involvement in all future mission areas, as they evolve. Key to our successes, to date, is the fact that AFRC is a very dynamic organization in a rapidly changing environment, and we are finding new and advanced ways to seamlessly link all our forces in both peace and war.

In the Air Force Reserve, our priorities are People, Readiness and Modernization and it is toward these three key areas that our attention is focused to assure that our members are provided the full spectrum of training opportunities which ensure they achieve and enhance their war-fighting skills and capabilities. We put people first, emphasize readiness, and continue to seek balanced, time-phased modernization and infrastructure programs.

People are our most important asset. In an effort to retain our best and brightest, we must continue to reward our people through compensation and promotion and ensure they know their efforts are appreciated. We need to look after their families while they are deployed and reach out to their employers with our thanks for their support. We should ensure that there is open dialogue among the troops and from the troops to me to make sure that we're doing our job the best that it can be done.

More than ever, we need to continue to partner with you to ensure we maintain the strongest air force in the world.

The Air Force is a team - we train together, work together, and fight together.

Wherever you find the United States Air Force, at home or abroad, you will find the active and Reserve side-by-side. You can't tell us apart and that's the way it should be.

The bottom line is that when the Air Force goes to war, enforces a peace agreement, or undertakes prolonged humanitarian missions anywhere in the world today, the Air Force Reserve will be there. During my comments today, I will discuss the status of many of our Air Force Reserve programs.

HIGHLIGHTS OF 2001

Until September 11th, this year had been shaping up to be one of our most productive ever. Our key goals had been to achieve our authorized manning levels, continue to improve retention of our talented members, meet the extensive Reserve commitments to the Aerospace Expeditionary Force (AEF) and execute our Flying Hour Program as authorized in the FY 2001 Defense Budget. The hard work of the men and women of the Air Force Reserve assured we attained our goals and, even more, met the many additional challenges presented following the September attacks.

We exceeded our FY 2001 end strength authorization; achieving a final manning percentage of 100.6 percent of our authorized end strength. This was possible only through outstanding efforts of our recruiters, who accessed 105 percent of our recruiting goal, and with the superb assistance of our assigned personnel who help tell our story of the true value of service to country. Likewise, we exceeded our command retention goals for officers, first-term airman, second-term airman and career airman by achieving retention rates of 92.1 %, 81.7 %, 79.6 % and 91.4 % respectively. The overall command retention rate of 89.3% is the result of great teamwork by members, first sergeants, supervisors and commanders who led us to this exceptional achievement.

We are also very proud of our Air Expeditionary Force contributions in 2001. We have met virtually 100 percent of both aviation and combat support commitments, deploying 14,000+ personnel in volunteer status in the current 15-month AEF cycle (1 Dec 2000 - 28 Feb 2002). The challenge for 2002 will be to meet ongoing AEF commitments with volunteers from a Reserve force which has had much of its operations and combat support mobilized for homeland defense and the war on terrorism.

Through the dedicated efforts of our operators and maintainers, along with assistance from our support personnel, AFRC flew 99.5 percent of the Operation and Maintenance (O & M) funded portion of our flying hour program. Due to the lack of available cargo and passengers, we, like our fellow active duty and ANG partners, were unable to fly the full Transportation Working Capital Fund (TWCF) commitment. However, overall, this was our best year of flying hour execution within the past five years.

Air Force Reserve Command personnel participated in several key operational exercises in which combat training events were accomplished by our members, while critical command and control processes were tested and evaluated to determine overall readiness of our military forces. Pacific Warrior was a medical exercise conducted in Hawaii in which AFRC was the lead Air Force agent. Deployment and redeployment consisted of 72 missions, 1,030 passengers and 445 short tons of equipment and supplies. Ground and aeromedical patient care and evacuation was conducted utilizing all deployable specialties assigned within the Air Force Medical Service. More than 1,000 patients were treated and 533 patients were evacuated by aeromedical missions. Over 400 patients were moved via C-130 aircraft in the tactical phase and 130 patients were moved in the strategic phase. Additionally, units performed a pre-F3 (form, fit and function) on proposed new manpower packages to validate proposed innovations in aeromedical support.

Exercise Consequence Island was a large Veterans Administration and Federal Emergency Management Agency-sponsored exercise in Puerto Rico to evaluate United States response capabilities to a Weapons of Mass Destruction attack. A big emphasis was on post attack health care delivery and aeromedical evacuation. AFRC provided the majority of airlift and aeromedical

evacuation capabilities. The long hours and changing dynamics of the exercise proved to be very realistic, and the hard work, dedication, and problem solving abilities demonstrated by our Reserve forces made the exercise a big success.

Another operation with heavy AFRC involvement this past year was Operation Palmetto Ghost, which is the resupply mission for Army counter-drug operations in the Caribbean. Each quarter, this requirement calls for a significant number of strategic and tactical airlift sorties, as well as a Tactical Airlift Control Element (TALCE) for command and control on the ground. Though this mission is not assigned specifically to the Air Force Reserve, we stepped up to provide the majority of the airlift support with C-5s, C-17s, C-141s, and C-130s, and provided 100 percent of the TALCE support.

The past year saw the Reserve enhance their continued role in training pilots for all Air Force components. As the Air Force determined a requirement to increase the production of fighter pilots, it became evident that our training capability needed to increase as well. To meet that demand, the Chief of Staff of the Air Force directed the Air Force Reserve to convert a combat flying unit to a training flying unit. The 944th Fighter Wing at Luke AFB, Arizona now trains active duty, Air National Guard, and Air Force Reserve Command pilots in all phases of the F-16 formal training program. This program utilizes its unit-equipped aircraft and instructor pilots assigned to the 302d Fighter Squadron and the instructor pilots assigned to the 301st Fighter Squadron, the Air Forces' only associate F-16 training organization. This associate squadron is an integral part of the overall Air Force training capability. Through its use of highly experienced instructor pilots, it is truly the benchmark upon which all future operational training needs will be measured.

The Air Force Reserve Associate SUPT (Specialized Undergraduate Pilot Training) Instructor Pilot Program is managed by the 340th Flying Training Group at Randolph AFB, Texas. They provide administrative control for Reserve flying training squadrons at six Air Force bases; Laughlin, Randolph, and Sheppard in Texas, Columbus AFB, Mississippi, Moody AFB, Georgia, and Vance AFB, Oklahoma. The units are associate in nature and belong to the host active duty

flying training wing for operational control. They provide programmed flying training support for all phases of SUPT. Overall, the AETC/AFRC Associate Instructor Pilot Program provides 16% of all Air Force SUPT training capability.

September 11, 2001 changed life in the United States forever, and its impact on Air Force Reserve operations will also be felt for a long time to come. Perhaps more so than any other potential scenario for military operations, it highlighted the huge importance and unique missions of the Air Force Reserve.

Air Force Reserve aeromedical evacuation (AE) aircrews were among the first to respond and provided almost half of the immediate AE response that was provided. Tragically, we found there was little need for their service. The larger need was in mortuary affairs support, of which the Air Force Reserve provides more than 75 percent of our Air Force's capability. One hundred eighty-six trained Reservist immediately stepped forward, in volunteer status, for this demanding mission. Reserve airlift crews were among the first to bring in critical supplies, equipment and personnel, including emergency response teams from the Federal Emergency Management Agency (FEMA), fire trucks, search dogs, and earth moving equipment. F-16s fighters and KC-135 air refueling tankers immediately began pulling airborne and ground alert to provide combat air patrol support over major US cities. They were quickly joined by our AWACS aircrews and our C-130 aircrews under the direction of NORAD in support of Operation Noble Eagle.

The response of our Reservists in this time of crisis has been simply overwhelming. Over 11,000 Air Force Reservists have been mobilized, and thousands more continue to provide daily support as volunteers. Three thousand of those mobilized are Individual Mobilization Augmentees (IMAs), providing critical support to the Unified Commands, MAJCOMs, and various defense agencies supporting Homeland Security efforts. Required support functions span the entire breadth of Reserve capabilities... security forces, civil engineering, rescue, special operations, strategic and tactical airlift, air refueling, fighters, bombers, AWACs, command and control, communications, satellite operations, logistics, intelligence, aerial port, services, and medical. Never have I been so proud to be part of the outstanding group of patriots who make up the Air Force Reserve Command.

Equally important to the Air Force Reserve Command's ability to meet the requirements being levied on us is family and employer support. Their sacrifices and support make it possible for our members to carry out their duties in such a spectacular manner.

RECRUITING AND RETENTION

While significant progress has been made in Air Force Reserve recruiting and retention, my principal concern today remains attracting and retaining high quality people.

Recruiting

In FY01, the AFRC exceeded its recruiting goal for the first time in five years. Also, we surpassed our FY2001 end strength by achieving a final manning percentage of 100.6 percent of our authorized end strength. This was possible only through outstanding efforts of our recruiters, who accessed 105 percent of our recruiting goal, and with the superb assistance of our assigned personnel who help tell our story of the true value of service to country. Several initiatives contributed to Reserve recruiting success. In FY01, Air Force Reserve Command (AFRC) with great Congressional support increased recruiter authorizations by 50, instituted a new call center, redesigned the web site, launched a "Prior Service Other" advertising campaign, and re-energized the "Get One Program" in which current Air Force Reserve members give recruiters referrals. Air Force Reserve recruiting leads all other services in monthly accessions with 3.55 per recruiter.

While FY01 was an outstanding year for Reserve recruiting, FY02 is shaping up to be a very demanding year. After September 11th, "Stop Loss" was initiated for all service members. Historically, reserve recruiting directly accesses 25 percent of eligible members (i.e. no break in service) separating from active duty which accounts for a total of 30 percent of annual AFRC accessions. Recruiting will have to make up that part of the goal, more than 3,000, from other sources including "non-prior" and "prior service other" (i.e. Air Force separatees with a break in service or accessions from other services) applicants until stop loss is lifted. Once lifted, we expect there will be challenges in filling many vacated positions.

One of the biggest challenges for recruiters this year is Basic Military Training (BMT) quotas. With recruiting services increased emphasis on enlisting non-prior service applicants, BMT allocations have not kept pace. This problem is forecasted to worsen this year as a result of stop-loss since more non-prior applicants will have to be accessed to offset the decrease in members separating from active duty. We are working diligently to increase our number of BMT allocations and explore solutions to address BMT shortfalls.

A new recruiting initiative we are currently implementing focuses on bringing back retired military members. We are actively encouraging retired members to continue serving their country by returning to active service in the Air Force Reserve. By accessing retired military members, the Air Force Reserve and Total Force benefit by gaining personnel with proven experience, training, and leadership talents. Moreover, we save valuable training dollars and benefit from the specialty skills, experience and knowledge these individuals already possess. Once returned, members earn additional pay, retirement points, years of service, and promotion opportunity by returning to active reserve duty. Accessed members may continue serving as long as eligible under High-Year Tenure (HYT) guidelines, Mandatory Separation Date (MSD), or until age 60. This scenario presents a "win-win" situation for the member and the Air Force and allows valued service members the ability to continue serving while providing a vast amount of technical and mentoring experience to our USAFR. We are processing our first applicants and have discovered a couple of obstacles to effective implementation along the way.

Retention

The Air Force Reserve exceeded Command retention goals for first term airman, second term airman and career airman during FY2001. Again, it was the team effort of the members, first sergeants, supervisors and commanders that led us to this exceptional achievement.

At the end of CY2001, the USAFR was paying enlistment/reenlistment bonuses in 67 percent of its traditional reserve enlisted specialty codes and 50 percent of the enlisted individual mobilization augmentee specialty codes.

The Air Force Reserve is currently exploring the possibility of expanding bonus authorities for air reserve technicians and certain career fields for active guard and reserve members. These initiatives are designed to enhance both recruiting and retention of key reserve component assets. Additionally, special duty pay initiatives are also being studied for later implementation for senior enlisted positions such as command chief master sergeants and unit first sergeants.

We are continuing to pursue substantial enhancements to the Aviation Career Incentive Pay (ACIP) and Career Enlisted Flyer Incentive Pay (CEFIP) to increase retention in the aviation community, as well as attract/retain individuals to aviation. These initiatives, which effect over 13,343 officers and enlisted crew members in the Guard and Reserve, are aimed at providing an incentive to our traditional aviators who do not qualify for the Aviation Ccontinuation Pay for AGRs and the Special Salary Rate for Technicians.

Quality of Life Initiatives

To provide increased financial benefit to its members, the USAFR began enrollment of its members in the congressionally authorized Uniformed Services Thrift Savings Plan in Oct 2001. This program allows members to augment their retirement income through "401(k)" type investment accounts.

To better provide insurance benefits for members, we began implementation of the family coverage Service Member's Group Life Insurance (SGLI) program. This program allows the spouse and children of a service member to be covered for specified SGLI insurance coverage amounts. The enhanced coverage program allows service members and their families to take advantage of a comprehensive insurance package that might not be otherwise available to them.

In sum, the matter of recruiting and retention is an issue of major concern to me, and we are taking positive steps to address ongoing recruiting and retention challenges as I lead the Air Force Reserve in this new millenium

READINESS AND MODERNIZATION

Readiness

As full participants in the Total Air Force, our readiness remains fair overall. At present, the Air Force as a whole is in the process of addressing a significant decline in readiness level due to sustained OPTEMPO, cumulative effect of chronic underfunding, declining skill-level manning and aging equipment. It will take several years of significant investment to restore readiness through substantial and sustained recapitalization of people, equipment, infrastructure, and "info"-structure. Operations Noble Eagle and Enduring Freedom will also require a reconstitution period to regain pre-attack readiness levels. Reserve units have comparable equipment in quantities proportional to their active duty counterparts and participate in day-to-day operations, exercises, and training. Reserve units train to active duty standards and receive regular inspections from their gaining major commands.

Our 70 assigned F-16s, using the information being provided through the LITENING II targeting pod combined with Global Positioning System (GPS) software enhancements, provide a remarkable precision munitions delivery capability. This outstanding capability, combined with the information being provided through the Situational Awareness Data Link (SADL), give our pilots a capability that is acknowledged as one of the weapon systems of choice for combat missions. We have seen in operations in Southwest Asia, both in Iraq and most recently in Afghanistan, how this capability in the hands of our experienced pilots provides combatant commanders the ability to conduct attacks against "time-critical targets" in conjunction with the Predator. The F-16 pilot can put a laser mark on the target for confirmation by the Predator controller. So now, the Predator and its controller are operating as a Forward Air Controller from a remote location.

Our B-52 aircrews were among the first to deploy in support of Operation Enduring Freedom. Their efforts have been superb and clearly demonstrated that value of this weapon system in today's arsenal of capabilities. While the B-52 was first built 50 years ago, it shows, on a daily basis, it has a "mean bite" and remains the enemy's "worst nightmare".

Modernization

As AFRC continues to work within the Active Component structure, modernization is key to our ability to provide like capability for deployed operations and homeland defense. This is true across our airlift/special mission areas, as well as with our bomber, fighter, and aerial refueling aircraft.

As AFRC moves into the future and we analyze our interoperability with the Active Component (AC), a key issue is our ability to work within the AC structure while providing like capability. AFRC has 127 C-130s including the E, H, J and the N/P models. Air Mobility Command, as the lead command for C-130 modernization, has published a "Road Map" detailing the fleet modernization schedule. Near term modernization specifics for the AFRC C-130 fleet are additional removable cockpit armor sets for deploying aircraft, traffic alert and collision avoidance systems, autopilot replacements and night vision compatible aircraft lighting systems. Specifically for the HC-130, we have equipped nine HC-130's with the APN-241 navigation ground map radar to improve aircrew survivability and weapon system reliability. Also in the combat search and rescue area we are beginning the upgrade of the forward-looking infrared for the HH-60G helicopter fleet.

AFRC equipment is compatible to support all applicable Air Force missions. One exceptional highlight is the 10 WC-130H aircraft at Keesler Air Force Base, MS soon to be replaced by 10 WC-130J models. These aircraft and crews are specially trained and equipped to penetrate severe storms while collecting and transmitting data to a special ground station. The extensive meteorological data necessary to track and forecast the movement of these severe storms requires a dedicated aircraft with special equipment and crew. Conversion to the WC-130J should be completed in 2002.

There are 52 O/A-10 aircraft assigned to the Air Force Reserve inventory. Plans call for upgrading all A-10 aircraft with the revamped precision engagement program that will incorporate Situational Awareness Data Link, targeting pods, and smart weapons capability. This precision engagement modification, with its major upgrade in communications, is a key stepping stone that

will be key to keeping the current ground attack fighters (F-16, F-15E and A-10) compatible with the next generation of information intensive ground attack system, the Joint Strike Fighter.

AFRC's 70 KC-135E/R aircraft provide about 13 percent of the Air Force's KC-135 aerial refueling capability. In an effort to increase reliability and sustainability, the Air Force began a KC-135 engine retrofit in 1996. There are 16 AFRC KC-135E aircraft requiring upgrades to the KC-135R configuration.

In addition, modernization of the avionics and navigation systems on all Air Force KC-135 continues, including those in the AFRC inventory. Called Pacer CRAG (compass, radar and global positioning system), the project provides for a major overhaul of the KC-135 cockpit to improve the reliability and maintainability of the aircraft's compass and radar systems.

The project also meets the congressionally mandated requirement to install the global positioning system in all Defense Department aircraft. As an added safety measure for formation flying, a traffic collision avoidance system (TCAS) will be installed. TCAS will give pilots the ability to actively monitor other aircraft and will provide advance warning of possible mid-air collisions.

In 2002 we will continue to work closely with Air Mobility Command to finalize the Air Staff led Mobility Tiger Team beddown plan for the C-17 aircraft and establish viable, long-term replacement missions for our C-141 locations. Currently our C-141s are scheduled to leave the inventory starting in fiscal year 2004. AMC is working hard to insure Reserve mobility experience is preserved and follow-on missions for these units is a top priority. A great deal of work remains to be done and senior leaders at Air Force Reserve Command are engaged at every level. Already funding has been secured to ensure our C-141 manpower is retained; operation and maintenance dollars will follow once replacement missions are finalized in the 2004 program.

NEW MISSIONS

In the 21st Century, the U.S. Air Force anticipates deriving its strength from the flexibility and diversity of its integrated active duty, Air Force Reserve, and Air National Guard more than

ever before. Optimum use of Air Force component resources is critical in providing the complete potential of American aerospace power. Future campaigns will include new ways to optimize the active, Reserve, and guard components to make the best use of our resources and people and to build on a foundation of high standards and strong cooperation among the components.

September 11th attacks have brought homeland security to the forefront with the publication of Executive Order 13228 establishing the Office of Homeland Security. Total Force components are being called upon to counter a new class of foreign and domestic terrorist threats with both defensive and offensive actions. Air Force Reserve Command has begun the process of identifying and coordinating the extent of its role and participation in Homeland Defense. Among foreseeable needs relating to this vital mission are augmentation of existing security forces, firefighters, and home station operational support personnel, both full-time and traditional reserve.

Both AFRC and Air Force Space Command (AFSPC) see space as a growing mission area in which AFRC can help support Department of Defense and national requirements. To that end we will maintain our work with AFSPC in the determination of long-range plans in space operations and support. We currently provide over eight percent of total Air Force Space Capability and have the capacity to contribute even more with this growing mission.

Our 310th Space Group at Schriever AFB, Colorado provides direct warfighter support to 14th Air Force at Vandenberg AFB, California. In addition, many AFRC squadrons and units have been established within AFSPC to provide full mission support, including satellite operators that provide support for Global Positioning System and Defense Support Program surge requirements.

The 6th Satellite Operations Squadron, the only unit-equipped space squadron in AFRC, operates the Defense Meteorological Satellite Program in support of both the Commerce Department and the National Oceanic and Atmospheric Administration.

Full- and part-time operational augmentation to the Space-Based Infrared Radar System at Buckley AFB, Colorado, the Satellite Operations Center at Vandenberg AFB, California, and the 17th Test Squadron at the Space Warfare Center at Schriever AFB, Colorado, round out our

current involvement in the space mission area. As we develop our synergistic relationship with AFSPC, we continue to look at additional mission area projects for potential implementation.

AFRC has one existing Air Operations Center (AOC) supporting organization -- the 701st Combat Operations Squadron, March AFB, California. This unit represents approximately 33 percent of the current AOC units, with active component units in Korea and Germany, and Air National Guard units in Missouri and New York. Plans for at least three additional AOC units are projected for FY2002 and beyond, with one additional tasking for an AFRC organization. All command and control units will provide equipment and/or manning support for an eventual 19 AOC units for aerospace command and control operations worldwide. Eventual crew and equipment standardization will promote effective aerospace command and control in the United States and abroad.

Final Thoughts

The Air Force Reserve supports the Air Force mission to defend the United States through control and exploitation of air and space by providing global reach and global power. As we have repeatedly witnessed, the Air Force Reserve Command plays an integral role in the day-to-day Air Force mission and is not a force held in reserve for possible war or contingency operations.

The events of September 11th clearly changed our normal manner of business as we continue to fulfill the needs of our Nation, maintain our increased vigilance, and prepare for the unexpected. As we are presented with new and challenging missions, I remain confident in the tremendous capabilities of Reservists to measure up to the task.

While this new mission activity continues, we need to keep our focus -- assess the impact of Stop Loss on our operations, provide adequate funding for continuing activations, and keep an eye on sustaining our recruiting efforts. The challenge will be to retain our experience base and keep our prior service levels high.

Based on the actions of Reservists over the past year and especially since September 11th, I'm sure the challenge will be met by the outstanding men and women assigned to Air Force Reserve Command. It is these hardworking, professional and patriotic individuals who are the heart and soul of the command. Our accomplishments during this past year are the accomplishments of everyday Americans who are proud to serve.

In summary, Air Force Reserve Command is committed to meeting our people, readiness and modernization challenges, to remain a fully integrated partner with the Air Force. Reservists with the support of their families and civilian employers enable AFRC to be fully combat capable and meet its worldwide commitments.

Mr. Chairman, I thank you and your committee once again for your assistance in making us part of the worlds best Air Force, the USAF. I appreciate the opportunity to meet with the committee today to share my views with you and I look forward to answering any question you might have for me.